



February 3, 2009

## HOUSE BILL No. 1656

DIGEST OF HB 1656 (Updated February 3, 2009 9:31 am - DI 92)

**Citations Affected:** IC 4-13; IC 4-13.6; IC 5-16; IC 8-10; IC 8-15; IC 8-15.5; IC 8-15.7; IC 8-23; IC 36-1; noncode.

**Synopsis:** State and local administration. Provides that contracts for public works projects may not be awarded to a contractor that does not: (1) employ residents of Indiana as at least 80% of the employees working on the contract; and (2) enter into subcontracts only with subcontractors that employ residents of Indiana as at least 80% of the employees working on the contract. Applies this restriction to contracts entered into by the public works division of the department of administration, any state agency or commission entering into a public works contract, the commission governing the ports of Indiana, the department of transportation, and units of local government. Requires the commissioner of the department of administration to prepare an annual report for the public and the legislative council stating, for the contractors awarded public works contracts by the state and the subcontractors with which these contractors entered into subcontracts, the percentage of the contractors' and subcontractors' employees working on the public works contracts who are residents of Indiana. Requires certain public works projects to use Indiana produced steel or foundry products and materials, equipment, and durable goods made in Indiana. Prohibits tolling on an interstate highway project between Interstate Highway 465 and Interstate Highway 64. Prohibits the state from issuing a request for proposals for, or entering into, a public-private agreement concerning a project between Interstate Highway 465 and Interstate Highway 64. Requires that federal funds distributed to the state as part of an economic stimulus effort by the federal government to revive the United States economy must be appropriated by the general assembly before they may be expended. Appropriates \$1,000,000,000 from the major moves construction fund. Specifies certain conditions for the use of the money.

**Effective:** Upon passage; July 1, 2009.

**Austin, Pelath, Crawford**

January 14, 2009, read first time and referred to Committee on Roads and Transportation.  
January 16, 2009, reported — Do Pass. Recommitted to Committee on Ways and Means.  
February 3, 2009, amended, reported — Do Pass.

HB 1656—LS 7476/DI 92+



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February 3, 2009

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

## HOUSE BILL No. 1656

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 4-13-1-16.5 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]: **Sec. 16.5. (a) As used in this section, "covered**  
4 **transaction" means the award of a contract under:**

- 5 (1) IC 4-13.6-6-2.8;
- 6 (2) IC 5-16-1-7.5;
- 7 (3) IC 8-10-1-7.7; or
- 8 (4) IC 8-23-9-4.6.

9 (b) As used in this section, "resident of Indiana" means a person  
10 who is at least eighteen (18) years of age and is one (1) of the  
11 following:

- 12 (1) A person who has registered a motor vehicle in Indiana.
- 13 (2) A person who is registered to vote in Indiana.
- 14 (3) A person who has a child enrolled in an elementary or a  
15 secondary school located in Indiana.
- 16 (4) A person who derives more than one-half (1/2) of the  
17 person's gross income (as defined in Section 61 of the Internal

HB 1656—LS 7476/DI 92+



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Revenue Code) from sources in Indiana, according to the provisions applicable to determining the source of adjusted gross income that are set forth in IC 6-3-2-2. However, a person who would otherwise be considered a resident of Indiana under this subdivision is not a resident of Indiana if a preponderance of the evidence concerning the factors set forth in subdivisions (1) through (3) proves that the person is not a resident of Indiana.

(c) Before October 1 of 2010 and each year thereafter, the commissioner shall compile, make available for public inspection, and submit to the legislative council a report for the preceding state fiscal year stating:

(1) for the contractors awarded contracts in covered transactions; and

(2) for the subcontractors with which the contractor referred to in subdivision (1) enter into subcontracts in connection with contracts awarded in covered transactions;

the percentage of the employees of the contractors and subcontractors who work on the contracts and are residents of Indiana. The report to the legislative council must be in an electronic format under IC 5-14-6.

SECTION 2. IC 4-13.6-6-2.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.8. (a) As used in this section, "resident of Indiana" means a person who is at least eighteen (18) years of age and is one (1) of the following:

(1) A person who has registered a motor vehicle in Indiana.

(2) A person who is registered to vote in Indiana.

(3) A person who has a child enrolled in an elementary or a secondary school located in Indiana.

(4) A person who derives more than one-half (1/2) of the person's gross income (as defined in Section 61 of the Internal Revenue Code) from sources in Indiana, according to the provisions applicable to determining the source of adjusted gross income that are set forth in IC 6-3-2-2. However, a person who would otherwise be considered a resident of Indiana under this subdivision is not a resident of Indiana if a preponderance of the evidence concerning the factors set forth in subdivisions (1) through (3) proves that the person is not a resident of Indiana.

(b) When entering a bid under this chapter for a public works project, each contractor shall provide the division with information

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on the number of residents of Indiana who will be employed by the contractor and the number of residents of Indiana who will be employed by any subcontractor of the contractor.

(c) A contract for a public works project may not be awarded to a contractor who does not:

(1) employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract; and

(2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees who work on the subcontract.

(d) Before August 15 of 2010 and each year thereafter, the division shall file with the commissioner a report for the preceding year stating:

(1) for each contractor awarded a contract under this chapter; and

(2) for each subcontractor with which a contractor referred to in subdivision (1) enters into a contract in connection with a contract awarded under this chapter;

the percentage of the employees of the contractor or subcontractor who work on the contract and are residents of Indiana.

(e) A contract awarded under this chapter for a public works project is terminated if the division determines that the contractor has failed to:

(1) employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract; and

(2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees who work on the subcontract.

(f) A contractor or subcontractor who fails to employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract or subcontract commits a Class B infraction for each nonresident of Indiana employed in excess of the number of nonresident employees permitted by this section.

SECTION 3. IC 5-16-1-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.5. (a) As used in this section, "resident of Indiana" means a person who is at least eighteen (18) years of age and is one (1) of the following:

(1) A person who has registered a motor vehicle in Indiana.

(2) A person who is registered to vote in Indiana.

(3) A person who has a child enrolled in an elementary or a secondary school located in Indiana.

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(4) A person who derives more than one-half (1/2) of the person's gross income (as defined in Section 61 of the Internal Revenue Code) from sources in Indiana, according to the provisions applicable to determining the source of adjusted gross income that are set forth in IC 6-3-2-2. However, a person who would otherwise be considered a resident of Indiana under this subdivision is not a resident of Indiana if a preponderance of the evidence concerning the factors set forth in subdivisions (1) through (3) proves that the person is not a resident of Indiana.

(b) When entering into a contract under this chapter, each contractor shall provide the state or commission with information on the number of residents of Indiana who will be employed by the contractor and the number of residents of Indiana who will be employed by any subcontractor of the contractor.

(c) A contract for a public works project under this chapter may not be awarded to a contractor who does not:

- (1) employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract; and
- (2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees who work on the subcontract.

(d) Before August 15 of 2010 and each year thereafter, the state or a commission entering into contracts under this chapter shall file with the commissioner of the Indiana department of administration a report stating:

- (1) for each contractor awarded a contract under this chapter; and
- (2) for each subcontractor with which a contractor referred to in subdivision (1) enters into a contract in connection with a contract awarded under this chapter;

the percentage of the employees of the contractor or subcontractor who work on the contract and are residents of Indiana.

(e) A contract awarded under this chapter for a public works project is terminated if the state or commission determines that the contractor has failed to:

- (1) employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract; and
- (2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees who work on the subcontract.

(f) A contractor or subcontractor who fails to employ residents

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1 of Indiana as at least eighty percent (80%) of the employees who  
 2 work on the contract or subcontract commits a Class B infraction  
 3 for each nonresident of Indiana employed in excess of the number  
 4 of nonresident employees permitted by this section.

5 SECTION 4. IC 5-16-8-1, AS AMENDED BY P.L.3-2008,  
 6 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 UPON PASSAGE]: Sec. 1. (a) The definitions in this section apply  
 8 throughout this chapter.

9 (b) "Foundry products" means products cast from ferrous and  
 10 nonferrous metals by foundries in ~~the United States~~ **Indiana**.

11 (c) "Person" means a natural person, corporation, limited liability  
 12 company, partnership, or other business unit or association.

13 (d) "Public agency" means:

14 (1) the state of Indiana;

15 (2) a department, agency, board, commission, or institution of the  
 16 state of Indiana; or

17 (3) a county, city, township, school or conservancy district, or  
 18 other governmental unit or district;

19 that receives public bids for construction or other public works under  
 20 Indiana law.

21 (e) "Steel products" means products rolled, formed, shaped, drawn,  
 22 extruded, forged, cast, fabricated, or otherwise similarly processed, or  
 23 processed by a combination of two (2) or more of such operations, from  
 24 steel made in ~~the United States~~ **Indiana** by the open hearth, basic  
 25 oxygen, electric furnace, Bessemer, or other steel making process.

26 (f) ~~"United States" refers to the United States of America. The term~~  
 27 ~~includes all territory, continental or insular, subject to the jurisdiction~~  
 28 ~~of the United States.~~

29 SECTION 5. IC 5-16-8-2, AS AMENDED BY P.L.6-2007,  
 30 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 31 UPON PASSAGE]: Sec. 2. (a) Each public agency shall require that  
 32 every contract for the construction, reconstruction, alteration, repair,  
 33 improvement or maintenance of public works contain a provision that,  
 34 if any steel or foundry products are to be used or supplied in the  
 35 performance of the contract or subcontract, only steel or foundry  
 36 products made in ~~the United States~~ **Indiana** shall be used or supplied  
 37 in the performance of the contract or any of the subcontracts unless the  
 38 head of the public agency determines, in writing, that the cost of steel  
 39 or foundry products is considered to be unreasonable.

40 (b) The head of each public agency shall issue rules which provide  
 41 that, for purposes of subsection (a), the bid or offered price of any steel  
 42 or foundry products of ~~domestic~~ **Indiana** origin is not considered

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unreasonable if the price does not exceed the sum of:

- (1) the bid or offered price of like steel or foundry products of ~~foreign origin~~ **originating outside Indiana** (including any applicable duty); plus
- (2) a differential of fifteen percent (15%) of the bid or offered price of the steel or foundry products of ~~foreign origin~~ **originating outside Indiana**.

However, the fifteen percent (15%) differential provided by subdivision (2) may be increased to twenty-five percent (25%), if the head of the public agency determines that use of steel or foundry products of ~~domestic Indiana~~ origin would benefit the local or state economy through improved job security and employment opportunity. Whenever the head of a public agency determines that the differential should be increased above fifteen percent (15%) for a particular project, the head of the agency shall file a report with the governor and the legislative services agency detailing the reasons for such determination and the probable impact on the economy of the use of ~~domestic Indiana~~ steel or foundry castings in the project. A report filed under this subsection with the legislative services agency must be in an electronic format under IC 5-14-6.

SECTION 6. IC 5-16-8-4, AS AMENDED BY P.L.6-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. This chapter does not apply if the head of the public agency determines, in writing, that steel or foundry products are not produced in ~~the United States~~ **Indiana** in sufficient quantities to meet the requirements of the contract.

SECTION 7. IC 5-16-8-6 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) **The Indiana department of administration shall develop criteria for determining whether steel or foundry products are produced in Indiana.**

(b) **The Indiana department of administration shall do the following:**

- (1) **Publish on an Internet web site the criteria developed under subsection (a).**
- (2) **Maintain on an Internet web site a list of businesses and products that meet the criteria developed under subsection (a).**

SECTION 8. IC 5-16-13 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

### **Chapter 13. Procurement for Public Works Projects**



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1        **Sec. 1. This chapter does not apply to the terms of a contract**  
 2        **that are subject to IC 5-16-8 for the procurement of steel or**  
 3        **foundry products.**

4        **Sec. 2. (a) The definitions in this section apply throughout this**  
 5        **chapter.**

6        **(b) "Person" means an individual, corporation, limited liability**  
 7        **company, partnership, or other business unit or association.**

8        **(c) "Public agency" means:**

9            **(1) the state of Indiana;**

10          **(2) a department, agency, board, commission, or institution of**  
 11          **the state of Indiana; or**

12          **(3) a county, city, township, school or conservancy district, or**  
 13          **other governmental unit or district;**

14        **that receives public bids for construction or other public works**  
 15        **under Indiana law.**

16        **Sec. 3. Each public agency shall require that every contract for**  
 17        **the construction, reconstruction, alteration, repair, improvement**  
 18        **or maintenance of a public works project contain a provision that,**  
 19        **if any materials, equipment, or other durable goods are to be used**  
 20        **or supplied in the performance of the contract or subcontract, only**  
 21        **materials, equipment, or durable goods made in Indiana may be**  
 22        **used or supplied in the performance of the contract or any of the**  
 23        **subcontracts unless the head of the public agency determines, in**  
 24        **writing, that the cost of Indiana products is considered to be**  
 25        **unreasonable.**

26        **Sec. 4. The head of each public agency shall issue rules that**  
 27        **provide that, for purposes of section 3 of this chapter, the bid or**  
 28        **offered price of any material, equipment, or durable good made in**  
 29        **Indiana is not considered unreasonable if the price does not exceed**  
 30        **the sum of:**

31            **(1) the bid or offered price of like materials, equipment, or**  
 32            **durable goods of foreign origin (including any applicable**  
 33            **duty); plus**

34            **(2) a differential of fifteen percent (15%) of the bid or offered**  
 35            **price of the materials, equipment, or durable goods of foreign**  
 36            **origin.**

37        **However, the fifteen percent (15%) differential provided by**  
 38        **subdivision (2) may be increased to twenty-five percent (25%), if**  
 39        **the head of the public agency determines that use of material,**  
 40        **equipment, or durable goods made in Indiana would benefit the**  
 41        **local or state economy through improved job security and**  
 42        **employment opportunity. Whenever the head of a public agency**

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determines that the differential should be increased above fifteen percent (15%) for a particular qualified project, the head of the agency shall file a report with the governor and the legislative services agency detailing the reasons for that determination and the probable impact on the economy of the use of material, equipment, or durable goods made in Indiana in public works project. A report filed under this subsection with the legislative services agency must be in an electronic format under IC 5-14-6.

Sec. 5. A public agency may not authorize or make any payments to a person under a contract for a public works project containing the provision required by section 3 of this chapter unless the public agency is satisfied that the person has fully complied with that provision. Payments made to a person by a public agency that should not have been made as a result of this section are recoverable directly from the contractor or subcontractor who did not comply with section 2 of this chapter by the attorney general upon suit filed in the circuit court of the county in which the contract for the qualified project was executed or performed.

Sec. 6. This chapter does not apply if the head of the public agency determines, in writing, that the materials, equipment, and durable goods required for a public works project are not produced in Indiana in sufficient quantities to meet the requirements of the contract for the qualified project.

Sec. 7. (a) The Indiana department of administration shall develop criteria for determining whether materials, equipment, and durable goods commonly required for public works projects are produced in Indiana.

(b) The Indiana department of administration shall do the following:

(1) Publish on an Internet web site the criteria developed under subsection (a).

(2) Maintain on an Internet web site a list of businesses and materials, equipment, and durable goods that meet the criteria developed under subsection (a).

Sec. 8. This chapter is designed to promote the general welfare of the people of Indiana and is supplemental to all laws concerning public works and shall be liberally construed to fully effectuate its purposes.

SECTION 9. IC 8-10-1-7.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.7. (a) As used in this section, "resident of

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**Indiana" means a person who is at least eighteen (18) years of age and is one (1) of the following:**

- (1) A person who has registered a motor vehicle in Indiana.**
- (2) A person who is registered to vote in Indiana.**
- (3) A person who has a child enrolled in an elementary or a secondary school located in Indiana.**
- (4) A person who derives more than one-half (1/2) of the person's gross income (as defined in Section 61 of the Internal Revenue Code) from sources in Indiana, according to the provisions applicable to determining the source of adjusted gross income that are set forth in IC 6-3-2-2. However, a person who would otherwise be considered a resident of Indiana under this subdivision is not a resident of Indiana if a preponderance of the evidence concerning the factors set forth in subdivisions (1) through (3) proves that the person is not a resident of Indiana.**

**(b) When entering into a contract under this chapter, each contractor shall provide the commission with information on the number of residents of Indiana who will be employed by the contractor and the number of residents of Indiana who will be employed by any subcontractor of the contractor.**

**(c) A contract for a public works project under this chapter may not be awarded to a contractor who does not:**

- (1) employ residents of Indiana as at least eighty percent (80%) of the employees of the contractor who work on the contract; and**
- (2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees who work on the subcontract.**

**(d) Before August 15 of 2010 and each year thereafter, the commission shall file with the commissioner of the Indiana department of administration a report stating:**

- (1) for each contractor awarded a contract under this chapter; and**
- (2) for each subcontractor with which a contractor referred to in subdivision (1) enters into a contract in connection with a contract awarded under this chapter;**

**the percentage of the employees of the contractor or subcontractor who work on the contract and are residents of Indiana.**

**(e) A contract awarded under this chapter for a public works project is terminated if the commission determines that the contractor has failed to:**

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1 (1) employ residents of Indiana as at least eighty percent  
2 (80%) of the employees who work on the contract; and

3 (2) enter into subcontracts only with subcontractors who  
4 employ residents of Indiana as at least eighty percent (80%)  
5 of the employees who work on the subcontract.

6 (f) A contractor or subcontractor who fails to employ residents  
7 of Indiana as at least eighty percent (80%) of the employees who  
8 work on the contract or subcontract commits a Class B infraction  
9 for each nonresident of Indiana employed in excess of the number  
10 of nonresident employees permitted by this section.

11 SECTION 10. IC 8-15-2-1, AS AMENDED BY P.L.1-2007,  
12 SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13 UPON PASSAGE]: Sec. 1. (a) In order to remove the handicaps and  
14 hazards on the congested highways in Indiana, to facilitate vehicular  
15 traffic throughout the state, to promote the agricultural and industrial  
16 development of the state, and to provide for the general welfare by the  
17 construction of modern express highways embodying safety devices,  
18 including center division, ample shoulder widths, long sight distances,  
19 multiple lanes in each direction, and grade separations at intersections  
20 with other highways and railroads, the authority may:

21 (1) subject to subsection (d), construct, reconstruct, maintain,  
22 repair, and operate toll road projects at such locations as shall be  
23 approved by the governor;

24 (2) in accordance with such alignment and design standards as  
25 shall be approved by the authority and subject to IC 8-9.5-8-10,  
26 issue toll road revenue bonds of the state payable solely from  
27 funds pledged for their payment, as authorized by this chapter, to  
28 pay the cost of such projects;

29 (3) finance, develop, construct, reconstruct, improve, or maintain  
30 improvements for manufacturing, commercial, or public  
31 transportation activities within a county through which a toll road  
32 passes;

33 (4) in cooperation with the Indiana department of transportation  
34 or a political subdivision, construct, reconstruct, or finance the  
35 construction or reconstruction of an arterial highway or an arterial  
36 street that is located within a county through which a toll road  
37 passes and that:

38 (A) interchanges with a toll road project; or

39 (B) intersects with a road or a street that interchanges with a  
40 toll road project;

41 (5) finance improvements necessary for developing transportation  
42 corridors in northwestern Indiana; and

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(6) exercise these powers in participation with any governmental entity or with any individual, partnership, limited liability company, or corporation.

(b) Notwithstanding subsection (a), the authority shall not construct, maintain, operate, nor contract for the construction, maintenance, or operation of transient lodging facilities on, or adjacent to, such toll road projects.

(c) This chapter:

(1) applies to the authority only when acting for the purposes set forth in this chapter; and

(2) does not apply to the authority when acting under any other statute for any other purpose.

(d) Notwithstanding any other law, neither the authority nor an operator selected under IC 8-15.5 may carry out any of the following activities under this chapter unless the general assembly enacts a statute authorizing that activity:

(1) Carrying out construction for Interstate Highway 69 in a township having a population of more than seventy-five thousand (75,000) and less than ninety-three thousand five hundred (93,500).

(2) Imposing tolls on motor vehicles for use of the part of an interstate highway that connects a consolidated city and a city having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740). **Interstate Highway 64.**

SECTION 11. IC 8-15-3-9, AS AMENDED BY P.L.47-2006, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) Subject to subsection (e), the governor must approve the location of any tollway.

(b) The department may, in any combination, plan, design, develop, construct, reconstruct, maintain, repair, police, finance, and operate tollways, public improvements, and arterial streets and roads at those locations that the governor approves.

(c) The department may, in any combination, plan, design, develop, construct, reconstruct, improve, finance, operate, repair, or maintain public improvements such as roads and streets, sewer lines, water lines, and other utilities if these improvements are:

(1) adjacent or appurtenant to a tollway; or

(2) necessary or desirable for the financing, construction, operation, or maintenance of a tollway.

(d) The department may, in any combination, plan, design, develop, construct, reconstruct, improve, maintain, repair, operate, or finance

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the construction or reconstruction of an arterial highway or an arterial street that:

- (1) is adjacent to, appurtenant to, or interchanges with a tollway;
- or
- (2) intersects with a road or street that interchanges with a tollway.

(e) Notwithstanding any other law, the governor, the department, or an operator may not carry out any of the following activities under this chapter unless the general assembly enacts a statute authorizing that activity:

- (1) Approve the location of a tollway ~~other than Interstate Highway 69~~ between Interstate Highway 64 and a **consolidated** city. ~~having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740).~~
- (2) Carry out construction for Interstate Highway 69 in a township having a population of more than seventy-five thousand (75,000) and less than ninety-three thousand five hundred (93,500).
- (3) Impose tolls on motor vehicles for use of the part of an interstate highway that connects a consolidated city and ~~a city having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740).~~ **Interstate Highway 64.**

SECTION 12. IC 8-15.5-1-2, AS ADDED BY P.L.47-2006, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) This article contains full and complete authority for public-private agreements between the authority and a private entity. Except as provided in this article, no law, procedure, proceeding, publication, notice, consent, approval, order, or act by the authority or any other officer, department, agency, or instrumentality of the state or any political subdivision is required for the authority to enter into a public-private agreement with a private entity under this article, or for a toll road project that is the subject of a public-private agreement to be constructed, acquired, maintained, repaired, operated, financed, transferred, or conveyed.

(b) Notwithstanding any other law, after August 1, 2006, neither the authority nor the department may:

- (1) issue a request for proposals for; or
- (2) enter into;

a public-private agreement under this article that would authorize an operator to impose tolls for the operation of motor vehicles on all or part of a project, unless the general assembly adopts a statute

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authorizing the imposition of tolls.

(c) Notwithstanding any other law, neither the authority nor an operator may carry out any of the following activities under this article unless the general assembly enacts a statute authorizing that activity:

(1) Carrying out construction for Interstate Highway 69 in a township having a population of more than seventy-five thousand (75,000) and less than ninety-three thousand five hundred (93,500).

(2) Imposing tolls on motor vehicles for use of the part of an interstate highway that connects a consolidated city and a city having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740). **Interstate Highway 64.**

SECTION 13. IC 8-15.7-1-5, AS AMENDED BY P.L.203-2007, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) This article contains full and complete authority for agreements and leases with private entities to carry out the activities described in this article. Except as provided in this article, no procedure, proceeding, publication, notice, consent, approval, order, or act by the authority, the department, or any other state or local agency or official is required to enter into an agreement or lease, and no law to the contrary affects, limits, or diminishes the authority for agreements and leases with private entities, except as provided by this article.

(b) Notwithstanding any other law, the department, the authority, or an operator may not carry out any of the following activities under this article unless the general assembly enacts a statute authorizing that activity:

(1) Issuing a request for proposals for, or entering into, a public-private agreement concerning a project ~~other than Interstate Highway 69~~ between Interstate Highway 465 and Interstate Highway 64.

(2) Carrying out construction for Interstate Highway 69 in a township having a population of more than seventy-five thousand (75,000) and less than ninety-three thousand five hundred (93,500).

(3) Imposing user fees on motor vehicles for use of the part of an interstate highway that connects a consolidated city and a city having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740). **Interstate Highway 64.**

(c) Notwithstanding subsection (b) or any other law, the department or the authority may enter into a public-private agreement concerning

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a project consisting of a passenger or freight railroad system described in IC 8-15.7-2-14(a)(4). Such an agreement is subject to review and appropriation by the general assembly. However, this subsection does not prohibit the department from:

- (1) conducting preliminary studies that the department considers necessary to determine the feasibility of such a project; or
- (2) issuing a request for qualifications or a request for proposals, or both, under IC 8-15.7-4 for such a project.

SECTION 14. IC 8-23-7-22, AS AMENDED BY P.L.47-2006, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22. (a) Subject to subsection (b), the department may, after issuing an order and receiving the governor's approval, determine that a state highway should become a tollway. After the order becomes effective, the department shall maintain and operate the tollway and levy and collect tolls as provided in IC 8-15-3 or enter into a public-private agreement with an operator with respect to the tollway under IC 8-15.7. Before issuing an order under this section, the department shall submit to the governor a plan to bring the tollway to the current design standards of the department for new state highways within a specified period. The specified period may not exceed five (5) years.

(b) Notwithstanding any other law, the governor, the department, or an operator may not carry out any of the following activities under this section unless the general assembly enacts a statute authorizing that activity:

- (1) Determine that a highway ~~other than Interstate Highway 69~~ between Interstate Highway 64 and a **consolidated** city ~~having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740);~~ should become a tollway.
- (2) Carry out construction for Interstate Highway 69 in a township having a population of more than seventy-five thousand (75,000) and less than ninety-three thousand five hundred (93,500).
- (3) Impose tolls on motor vehicles for use of the part of an interstate highway that connects a consolidated city and ~~a city having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740);~~ **Interstate Highway 64.**

SECTION 15. IC 8-23-7-23, AS AMENDED BY P.L.47-2006, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 23. (a) Subject to subsection (c), the department may, after issuing an order and receiving the governor's

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approval, determine that a state highway should become a toll road. An order under this section does not become effective unless the authority adopts a resolution to accept the designated state highway, or part of the highway, as a toll road project under the conditions contained in the order. An order issued by the department under this section must set forth the conditions upon which the transfer of the state highway, or part of the highway, to the authority must occur, including the following:

(1) The consideration, if any, to be paid by the authority to the department.

(2) A requirement that the authority:

(A) enter into a contract or lease with the department with respect to the toll road project under IC 8-9.5-8-7 or IC 8-9.5-8-8; or

(B) enter into a public-private agreement with an operator with respect to the toll road under IC 8-15.5.

(b) To complete a transfer under this section, the department must, with the governor's approval, execute a certificate describing the real and personal property constituting or to be transferred with the state highway that is to become a toll road project. Upon delivery of the certificate to the authority, the real and personal property described in the certificate is under the jurisdiction and control of the authority.

(c) Notwithstanding any other law, neither the authority nor an operator may carry out any of the following activities under this section unless the general assembly enacts a statute authorizing that activity:

(1) Carrying out construction for Interstate Highway 69 in a township having a population of more than seventy-five thousand (75,000) and less than ninety-three thousand five hundred (93,500).

(2) Imposing tolls on motor vehicles for use of the part of an interstate highway that connects a consolidated city and a city having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740): **Interstate Highway 64.**

SECTION 16. IC 8-23-9-4.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 4.6. (a) As used in this section, "resident of Indiana" means a person who is at least eighteen (18) years of age and is one (1) of the following:**

(1) A person who has registered a motor vehicle in Indiana.

(2) A person who is registered to vote in Indiana.

(3) A person who has a child enrolled in an elementary or a

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secondary school located in Indiana.

(4) A person who derives more than one-half (1/2) of the person's gross income (as defined in Section 61 of the Internal Revenue Code) from sources in Indiana, according to the provisions applicable to determining the source of adjusted gross income that are set forth in IC 6-3-2-2. However, a person who would otherwise be considered a resident of Indiana under this subdivision is not a resident of Indiana if a preponderance of the evidence concerning the factors set forth in subdivisions (1) through (3) proves that the person is not a resident of Indiana.

(b) When entering into a contract under this chapter, each contractor shall provide the department with information on the number of residents of Indiana who will be employed by the contractor and the number of residents of Indiana who will be employed by any subcontractor of the contractor.

(c) A contract for a public works project under this chapter may not be awarded to a contractor who does not:

(1) employ residents of Indiana as at least eighty percent (80%) of the employees of the contractor who work on the contract; and

(2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees working on the subcontract.

(d) Before August 15 of 2010 and each year thereafter, the department shall file with the commissioner of the Indiana department of administration a report stating:

(1) for each contractor awarded a contract under this chapter; and

(2) for each subcontractor with which a contractor referred to in subdivision (1) enters into a contract in connection with a contract awarded under this chapter;

the percentage of the employees of the contractor or subcontractor who work on the contract and are residents of Indiana.

(e) A contract awarded under this chapter for a public works project is terminated if the department determines that the contractor has failed to:

(1) employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract; and

(2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees who work on the subcontract.

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(f) A contractor or subcontractor who fails to employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract or subcontract commits a Class B infraction for each nonresident of Indiana employed in excess of the number of nonresident employees permitted by this section.

SECTION 17. IC 36-1-12-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.5. (a) As used in this section, "resident of Indiana" means a person who is at least eighteen (18) years of age and is one (1) of the following:

- (1) A person who has registered a motor vehicle in Indiana.
- (2) A person who is registered to vote in Indiana.
- (3) A person who has a child enrolled in an elementary or a secondary school located in Indiana.
- (4) A person who derives more than one-half (1/2) of the person's gross income (as defined in Section 61 of the Internal Revenue Code) from sources in Indiana, according to the provisions applicable to determining the source of adjusted gross income that are set forth in IC 6-3-2-2. However, a person who would otherwise be considered a resident of Indiana under this subdivision is not a resident of Indiana if a preponderance of the evidence concerning the factors set forth in subdivisions (1) through (3) proves that the person is not a resident of Indiana.

(b) When entering a bid under this chapter, each contractor shall provide the unit of local government with information on the number of residents of Indiana who will be employed by the contractor and the number of residents of Indiana who will be employed by any subcontractor of the contractor.

(c) A contract for a public works project under this chapter may not be awarded to a contractor who does not:

- (1) employ residents of Indiana as at least eighty percent (80%) of the employees of the contractor who work on the contract; and
- (2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees working on the subcontract.

(d) A contract awarded under this chapter for a public works project is terminated if the unit determines that the contractor has failed to:

- (1) employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract; and

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(2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees who work on the subcontract.

(e) A contractor or subcontractor who fails to employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract or subcontract commits a Class B infraction for each nonresident of Indiana employed in excess of the number of nonresident employees permitted by this section.

SECTION 18. P.L.234-2007, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: SECTION 26.

(a) The governor of the state of Indiana is solely authorized to accept on behalf of the state any and all federal funds available to the state of Indiana. **Subject to subsection (b)**, federal funds received under this SECTION are appropriated for purposes specified by the federal government, subject to allotment by the budget agency. **Subject to subsection (b)**, the provisions of this SECTION and all other SECTIONS of P.L.234-2007 concerning the acceptance, disbursement, review, and approval of any grant, loan, or gift made by the federal government or any other source to the state or its agencies and political subdivisions shall apply, notwithstanding any other law.

(b) As used in this subsection, "economic stimulus funds" refers to grants, loans, and gifts made from federal funds, including any instrumentality of the federal government, after December 31, 2008, that are intended by the federal government or generally known to be part of an economic stimulus package to revive the United States economy. Notwithstanding any other law, including any other law enacted by the one hundred and sixteenth general assembly, any money distributed from economic stimulus funds to the state, a department or agency of the state, or an instrumentality of the state, including the Indiana economic development corporation, may be allotted and expended only to the extent that a law enacted after December 31, 2008, specifically appropriates the amount for the purposes specified by the federal government.

(c) Not more than thirty (30) days after accepting economic stimulus funds, the governor shall submit a report to the general assembly containing the governor's recommendations for the expenditure of the economic stimulus funds. The report required by this subsection must be submitted in an electronic format under IC 5-14-6.

(d) This SECTION expires July 1, 2011.

SECTION 19. [EFFECTIVE JULY 1, 2009] (a) For the period

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beginning July 1, 2009, and ending June 30, 2011, there is appropriated from the major moves construction fund the following amounts:

(1) Four hundred million dollars (\$400,000,000) for the counties of Indiana.

(2) Four hundred million dollars (\$400,000,000) for the cities and towns of Indiana.

(3) Two hundred million dollars (\$200,000,000) to the Indiana department of transportation.

(b) The amounts appropriated under subsection (a) are subject to the limitations set forth in this subsection. Money appropriated under subsection (a) may not include any money that as of January 1, 2009 has been:

(1) appropriated and allotted to;

(2) appropriated to; or

(3) planned by;

the Indiana department of transportation for expenditure on the extension of Interstate Highway 69 from Indianapolis to Evansville.

(c) The amounts appropriated under subsection (a) must be reduced proportionally if the result of subtracting the money described in subsection (b) from the balance of the major moves construction fund is insufficient to fully fund the appropriations set forth in subsection (a).

(d) Money appropriated under subsection (a)(1) must be distributed to the counties according to the ratio that the population of each county bears to the total population of all counties. The population totals used for purposes of the local road and street account under IC 8-14-2 must be used for the purposes of this subsection.

(e) Money appropriated under subsection (a)(2) must be distributed to the cities and towns according to the ratio that the population of each city and town bears to the total population of all cities and towns. The population totals used for distributions from the motor vehicle highway account under IC 8-14-1-3 must be used for the purposes of this subsection.

(f) Each county, city, or town receiving money under this SECTION shall keep the money in a separate account. Money received under this SECTION may be used only for the construction or reconstruction and maintenance of streets and alleys. The fiscal body of a county, city, or town shall appropriate the money received under this SECTION for a shovel ready project

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1 before January 1, 2011. Any money that is not appropriated in  
2 compliance with this subsection is forfeited to the state. The fiscal  
3 officer of a county, city, or town that holds forfeited money in the  
4 separate account required by this subsection shall transfer the  
5 forfeited amount to the treasurer of state before February 1, 2011.  
6 The treasurer of state shall deposit any money received under this  
7 subsection in the major moves construction fund.

8 (g) Money appropriated under subsection (a)(3) shall be used by  
9 the Indiana department of transportation to obtain federal  
10 highway matching funds. The purpose of the appropriation is to  
11 supplement the federal highway matching funds obtained with  
12 money appropriated to the department under all other laws. The  
13 department may not divert money received from an appropriation  
14 for formal contract expenses to any purpose that does not qualify  
15 for federal highway matching funds.

16 (h) This SECTION expires July 1, 2011.

17 SECTION 20. An emergency is declared for this act.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1656, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

AUSTIN, Chair

Committee Vote: yeas 7, nays 5.

## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1656, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration and to make an appropriation.

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 4-13-1-16.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 16.5. (a) As used in this section, "covered transaction" means the award of a contract under:**

- (1) IC 4-13.6-6-2.8;
- (2) IC 5-16-1-7.5;
- (3) IC 8-10-1-7.7; or
- (4) IC 8-23-9-4.6.

**(b) As used in this section, "resident of Indiana" means a person who is at least eighteen (18) years of age and is one (1) of the following:**

- (1) A person who has registered a motor vehicle in Indiana.
- (2) A person who is registered to vote in Indiana.
- (3) A person who has a child enrolled in an elementary or a secondary school located in Indiana.
- (4) A person who derives more than one-half (1/2) of the person's gross income (as defined in Section 61 of the Internal Revenue Code) from sources in Indiana, according to the provisions applicable to determining the source of adjusted gross income that are set forth in IC 6-3-2-2. However, a



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person who would otherwise be considered a resident of Indiana under this subdivision is not a resident of Indiana if a preponderance of the evidence concerning the factors set forth in subdivisions (1) through (3) proves that the person is not a resident of Indiana.

(c) Before October 1 of 2010 and each year thereafter, the commissioner shall compile, make available for public inspection, and submit to the legislative council a report for the preceding state fiscal year stating:

(1) for the contractors awarded contracts in covered transactions; and

(2) for the subcontractors with which the contractor referred to in subdivision (1) enter into subcontracts in connection with contracts awarded in covered transactions;

the percentage of the employees of the contractors and subcontractors who work on the contracts and are residents of Indiana. The report to the legislative council must be in an electronic format under IC 5-14-6.

SECTION 2. IC 4-13.6-6-2.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.8. (a) As used in this section, "resident of Indiana" means a person who is at least eighteen (18) years of age and is one (1) of the following:

(1) A person who has registered a motor vehicle in Indiana.

(2) A person who is registered to vote in Indiana.

(3) A person who has a child enrolled in an elementary or a secondary school located in Indiana.

(4) A person who derives more than one-half (1/2) of the person's gross income (as defined in Section 61 of the Internal Revenue Code) from sources in Indiana, according to the provisions applicable to determining the source of adjusted gross income that are set forth in IC 6-3-2-2. However, a person who would otherwise be considered a resident of Indiana under this subdivision is not a resident of Indiana if a preponderance of the evidence concerning the factors set forth in subdivisions (1) through (3) proves that the person is not a resident of Indiana.

(b) When entering a bid under this chapter for a public works project, each contractor shall provide the division with information on the number of residents of Indiana who will be employed by the contractor and the number of residents of Indiana who will be employed by any subcontractor of the contractor.

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(c) A contract for a public works project may not be awarded to a contractor who does not:

- (1) employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract; and
- (2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees who work on the subcontract.

(d) Before August 15 of 2010 and each year thereafter, the division shall file with the commissioner a report for the preceding year stating:

- (1) for each contractor awarded a contract under this chapter; and
- (2) for each subcontractor with which a contractor referred to in subdivision (1) enters into a contract in connection with a contract awarded under this chapter;

the percentage of the employees of the contractor or subcontractor who work on the contract and are residents of Indiana.

(e) A contract awarded under this chapter for a public works project is terminated if the division determines that the contractor has failed to:

- (1) employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract; and
- (2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees who work on the subcontract.

(f) A contractor or subcontractor who fails to employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract or subcontract commits a Class B infraction for each nonresident of Indiana employed in excess of the number of nonresident employees permitted by this section.

SECTION 3. IC 5-16-1-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.5. (a) As used in this section, "resident of Indiana" means a person who is at least eighteen (18) years of age and is one (1) of the following:

- (1) A person who has registered a motor vehicle in Indiana.
- (2) A person who is registered to vote in Indiana.
- (3) A person who has a child enrolled in an elementary or a secondary school located in Indiana.
- (4) A person who derives more than one-half (1/2) of the person's gross income (as defined in Section 61 of the Internal Revenue Code) from sources in Indiana, according to the

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provisions applicable to determining the source of adjusted gross income that are set forth in IC 6-3-2-2. However, a person who would otherwise be considered a resident of Indiana under this subdivision is not a resident of Indiana if a preponderance of the evidence concerning the factors set forth in subdivisions (1) through (3) proves that the person is not a resident of Indiana.

(b) When entering into a contract under this chapter, each contractor shall provide the state or commission with information on the number of residents of Indiana who will be employed by the contractor and the number of residents of Indiana who will be employed by any subcontractor of the contractor.

(c) A contract for a public works project under this chapter may not be awarded to a contractor who does not:

- (1) employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract; and
- (2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees who work on the subcontract.

(d) Before August 15 of 2010 and each year thereafter, the state or a commission entering into contracts under this chapter shall file with the commissioner of the Indiana department of administration a report stating:

- (1) for each contractor awarded a contract under this chapter; and
- (2) for each subcontractor with which a contractor referred to in subdivision (1) enters into a contract in connection with a contract awarded under this chapter;

the percentage of the employees of the contractor or subcontractor who work on the contract and are residents of Indiana.

(e) A contract awarded under this chapter for a public works project is terminated if the state or commission determines that the contractor has failed to:

- (1) employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract; and
- (2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees who work on the subcontract.

(f) A contractor or subcontractor who fails to employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract or subcontract commits a Class B infraction for each nonresident of Indiana employed in excess of the number

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**of nonresident employees permitted by this section.**

SECTION 4. IC 5-16-8-1, AS AMENDED BY P.L.3-2008, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The definitions in this section apply throughout this chapter.

(b) "Foundry products" means products cast from ferrous and nonferrous metals by foundries in ~~the United States~~ **Indiana**.

(c) "Person" means a natural person, corporation, limited liability company, partnership, or other business unit or association.

(d) "Public agency" means:

- (1) the state of Indiana;
- (2) a department, agency, board, commission, or institution of the state of Indiana; or
- (3) a county, city, township, school or conservancy district, or other governmental unit or district;

that receives public bids for construction or other public works under Indiana law.

(e) "Steel products" means products rolled, formed, shaped, drawn, extruded, forged, cast, fabricated, or otherwise similarly processed, or processed by a combination of two (2) or more of such operations, from steel made in ~~the United States~~ **Indiana** by the open hearth, basic oxygen, electric furnace, Bessemer, or other steel making process.

(f) ~~"United States" refers to the United States of America. The term includes all territory, continental or insular, subject to the jurisdiction of the United States.~~

SECTION 5. IC 5-16-8-2, AS AMENDED BY P.L.6-2007, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Each public agency shall require that every contract for the construction, reconstruction, alteration, repair, improvement or maintenance of public works contain a provision that, if any steel or foundry products are to be used or supplied in the performance of the contract or subcontract, only steel or foundry products made in ~~the United States~~ **Indiana** shall be used or supplied in the performance of the contract or any of the subcontracts unless the head of the public agency determines, in writing, that the cost of steel or foundry products is considered to be unreasonable.

(b) The head of each public agency shall issue rules which provide that, for purposes of subsection (a), the bid or offered price of any steel or foundry products of ~~domestic~~ **Indiana** origin is not considered unreasonable if the price does not exceed the sum of:

- (1) the bid or offered price of like steel or foundry products of ~~foreign origin~~ **originating outside Indiana** (including any

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applicable duty); plus

(2) a differential of fifteen percent (15%) of the bid or offered price of the steel or foundry products ~~of foreign origin~~ **originating outside Indiana.**

However, the fifteen percent (15%) differential provided by subdivision (2) may be increased to twenty-five percent (25%), if the head of the public agency determines that use of steel or foundry products of ~~domestic Indiana~~ origin would benefit the local or state economy through improved job security and employment opportunity. Whenever the head of a public agency determines that the differential should be increased above fifteen percent (15%) for a particular project, the head of the agency shall file a report with the governor and the legislative services agency detailing the reasons for such determination and the probable impact on the economy of the use of ~~domestic Indiana~~ steel or foundry castings in the project. A report filed under this subsection with the legislative services agency must be in an electronic format under IC 5-14-6.

SECTION 6. IC 5-16-8-4, AS AMENDED BY P.L.6-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. This chapter does not apply if the head of the public agency determines, in writing, that steel or foundry products are not produced in ~~the United States~~ **Indiana** in sufficient quantities to meet the requirements of the contract.

SECTION 7. IC 5-16-8-6 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6. (a) The Indiana department of administration shall develop criteria for determining whether steel or foundry products are produced in Indiana.**

**(b) The Indiana department of administration shall do the following:**

- (1) Publish on an Internet web site the criteria developed under subsection (a).**
- (2) Maintain on an Internet web site a list of businesses and products that meet the criteria developed under subsection (a).**

SECTION 8. IC 5-16-13 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

### **Chapter 13. Procurement for Public Works Projects**

**Sec. 1. This chapter does not apply to the terms of a contract that are subject to IC 5-16-8 for the procurement of steel or foundry products.**



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**Sec. 2. (a) The definitions in this section apply throughout this chapter.**

**(b) "Person" means an individual, corporation, limited liability company, partnership, or other business unit or association.**

**(c) "Public agency" means:**

- (1) the state of Indiana;**
- (2) a department, agency, board, commission, or institution of the state of Indiana; or**
- (3) a county, city, township, school or conservancy district, or other governmental unit or district;**

**that receives public bids for construction or other public works under Indiana law.**

**Sec. 3. Each public agency shall require that every contract for the construction, reconstruction, alteration, repair, improvement or maintenance of a public works project contain a provision that, if any materials, equipment, or other durable goods are to be used or supplied in the performance of the contract or subcontract, only materials, equipment, or durable goods made in Indiana may be used or supplied in the performance of the contract or any of the subcontracts unless the head of the public agency determines, in writing, that the cost of Indiana products is considered to be unreasonable.**

**Sec. 4. The head of each public agency shall issue rules that provide that, for purposes of section 3 of this chapter, the bid or offered price of any material, equipment, or durable good made in Indiana is not considered unreasonable if the price does not exceed the sum of:**

- (1) the bid or offered price of like materials, equipment, or durable goods of foreign origin (including any applicable duty); plus**
- (2) a differential of fifteen percent (15%) of the bid or offered price of the materials, equipment, or durable goods of foreign origin.**

**However, the fifteen percent (15%) differential provided by subdivision (2) may be increased to twenty-five percent (25%), if the head of the public agency determines that use of material, equipment, or durable goods made in Indiana would benefit the local or state economy through improved job security and employment opportunity. Whenever the head of a public agency determines that the differential should be increased above fifteen percent (15%) for a particular qualified project, the head of the agency shall file a report with the governor and the legislative**

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services agency detailing the reasons for that determination and the probable impact on the economy of the use of material, equipment, or durable goods made in Indiana in public works project. A report filed under this subsection with the legislative services agency must be in an electronic format under IC 5-14-6.

**Sec. 5.** A public agency may not authorize or make any payments to a person under a contract for a public works project containing the provision required by section 3 of this chapter unless the public agency is satisfied that the person has fully complied with that provision. Payments made to a person by a public agency that should not have been made as a result of this section are recoverable directly from the contractor or subcontractor who did not comply with section 2 of this chapter by the attorney general upon suit filed in the circuit court of the county in which the contract for the qualified project was executed or performed.

**Sec. 6.** This chapter does not apply if the head of the public agency determines, in writing, that the materials, equipment, and durable goods required for a public works project are not produced in Indiana in sufficient quantities to meet the requirements of the contract for the qualified project.

**Sec. 7. (a)** The Indiana department of administration shall develop criteria for determining whether materials, equipment, and durable goods commonly required for public works projects are produced in Indiana.

**(b)** The Indiana department of administration shall do the following:

- (1)** Publish on an Internet web site the criteria developed under subsection (a).
- (2)** Maintain on an Internet web site a list of businesses and materials, equipment, and durable goods that meet the criteria developed under subsection (a).

**Sec. 8.** This chapter is designed to promote the general welfare of the people of Indiana and is supplemental to all laws concerning public works and shall be liberally construed to fully effectuate its purposes.

SECTION 9. IC 8-10-1-7.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 7.7. (a)** As used in this section, "resident of Indiana" means a person who is at least eighteen (18) years of age and is one (1) of the following:

- (1)** A person who has registered a motor vehicle in Indiana.

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- (2) A person who is registered to vote in Indiana.
- (3) A person who has a child enrolled in an elementary or a secondary school located in Indiana.
- (4) A person who derives more than one-half (1/2) of the person's gross income (as defined in Section 61 of the Internal Revenue Code) from sources in Indiana, according to the provisions applicable to determining the source of adjusted gross income that are set forth in IC 6-3-2-2. However, a person who would otherwise be considered a resident of Indiana under this subdivision is not a resident of Indiana if a preponderance of the evidence concerning the factors set forth in subdivisions (1) through (3) proves that the person is not a resident of Indiana.

(b) When entering into a contract under this chapter, each contractor shall provide the commission with information on the number of residents of Indiana who will be employed by the contractor and the number of residents of Indiana who will be employed by any subcontractor of the contractor.

(c) A contract for a public works project under this chapter may not be awarded to a contractor who does not:

- (1) employ residents of Indiana as at least eighty percent (80%) of the employees of the contractor who work on the contract; and
- (2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees who work on the subcontract.

(d) Before August 15 of 2010 and each year thereafter, the commission shall file with the commissioner of the Indiana department of administration a report stating:

- (1) for each contractor awarded a contract under this chapter; and
- (2) for each subcontractor with which a contractor referred to in subdivision (1) enters into a contract in connection with a contract awarded under this chapter;

the percentage of the employees of the contractor or subcontractor who work on the contract and are residents of Indiana.

(e) A contract awarded under this chapter for a public works project is terminated if the commission determines that the contractor has failed to:

- (1) employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract; and
- (2) enter into subcontracts only with subcontractors who

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**employ residents of Indiana as at least eighty percent (80%) of the employees who work on the subcontract.**

**(f) A contractor or subcontractor who fails to employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract or subcontract commits a Class B infraction for each nonresident of Indiana employed in excess of the number of nonresident employees permitted by this section.**

SECTION 10. IC 8-15-2-1, AS AMENDED BY P.L.1-2007, SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) In order to remove the handicaps and hazards on the congested highways in Indiana, to facilitate vehicular traffic throughout the state, to promote the agricultural and industrial development of the state, and to provide for the general welfare by the construction of modern express highways embodying safety devices, including center division, ample shoulder widths, long sight distances, multiple lanes in each direction, and grade separations at intersections with other highways and railroads, the authority may:

- (1) subject to subsection (d), construct, reconstruct, maintain, repair, and operate toll road projects at such locations as shall be approved by the governor;
- (2) in accordance with such alignment and design standards as shall be approved by the authority and subject to IC 8-9.5-8-10, issue toll road revenue bonds of the state payable solely from funds pledged for their payment, as authorized by this chapter, to pay the cost of such projects;
- (3) finance, develop, construct, reconstruct, improve, or maintain improvements for manufacturing, commercial, or public transportation activities within a county through which a toll road passes;
- (4) in cooperation with the Indiana department of transportation or a political subdivision, construct, reconstruct, or finance the construction or reconstruction of an arterial highway or an arterial street that is located within a county through which a toll road passes and that:
  - (A) interchanges with a toll road project; or
  - (B) intersects with a road or a street that interchanges with a toll road project;
- (5) finance improvements necessary for developing transportation corridors in northwestern Indiana; and
- (6) exercise these powers in participation with any governmental entity or with any individual, partnership, limited liability company, or corporation.

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(b) Notwithstanding subsection (a), the authority shall not construct, maintain, operate, nor contract for the construction, maintenance, or operation of transient lodging facilities on, or adjacent to, such toll road projects.

(c) This chapter:

- (1) applies to the authority only when acting for the purposes set forth in this chapter; and
- (2) does not apply to the authority when acting under any other statute for any other purpose.

(d) Notwithstanding any other law, neither the authority nor an operator selected under IC 8-15.5 may carry out any of the following activities under this chapter unless the general assembly enacts a statute authorizing that activity:

- (1) Carrying out construction for Interstate Highway 69 in a township having a population of more than seventy-five thousand (75,000) and less than ninety-three thousand five hundred (93,500).
- (2) Imposing tolls on motor vehicles for use of the part of an interstate highway that connects a consolidated city and a city having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740): **Interstate Highway 64.**

SECTION 11. IC 8-15-3-9, AS AMENDED BY P.L.47-2006, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) Subject to subsection (e), the governor must approve the location of any tollway.

(b) The department may, in any combination, plan, design, develop, construct, reconstruct, maintain, repair, police, finance, and operate tollways, public improvements, and arterial streets and roads at those locations that the governor approves.

(c) The department may, in any combination, plan, design, develop, construct, reconstruct, improve, finance, operate, repair, or maintain public improvements such as roads and streets, sewer lines, water lines, and other utilities if these improvements are:

- (1) adjacent or appurtenant to a tollway; or
- (2) necessary or desirable for the financing, construction, operation, or maintenance of a tollway.

(d) The department may, in any combination, plan, design, develop, construct, reconstruct, improve, maintain, repair, operate, or finance the construction or reconstruction of an arterial highway or an arterial street that:

- (1) is adjacent to, appurtenant to, or interchanges with a tollway;

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(2) intersects with a road or street that interchanges with a tollway.

(e) Notwithstanding any other law, the governor, the department, or an operator may not carry out any of the following activities under this chapter unless the general assembly enacts a statute authorizing that activity:

(1) Approve the location of a tollway ~~other than Interstate Highway 69~~ between Interstate Highway 64 and a **consolidated** city. ~~having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740).~~

(2) Carry out construction for Interstate Highway 69 in a township having a population of more than seventy-five thousand (75,000) and less than ninety-three thousand five hundred (93,500).

(3) Impose tolls on motor vehicles for use of the part of an interstate highway that connects a consolidated city and ~~a city having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740).~~ **Interstate Highway 64.**

SECTION 12. IC 8-15.5-1-2, AS ADDED BY P.L.47-2006, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) This article contains full and complete authority for public-private agreements between the authority and a private entity. Except as provided in this article, no law, procedure, proceeding, publication, notice, consent, approval, order, or act by the authority or any other officer, department, agency, or instrumentality of the state or any political subdivision is required for the authority to enter into a public-private agreement with a private entity under this article, or for a toll road project that is the subject of a public-private agreement to be constructed, acquired, maintained, repaired, operated, financed, transferred, or conveyed.

(b) Notwithstanding any other law, after August 1, 2006, neither the authority nor the department may:

(1) issue a request for proposals for; or

(2) enter into;

a public-private agreement under this article that would authorize an operator to impose tolls for the operation of motor vehicles on all or part of a project, unless the general assembly adopts a statute authorizing the imposition of tolls.

(c) Notwithstanding any other law, neither the authority nor an operator may carry out any of the following activities under this article

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unless the general assembly enacts a statute authorizing that activity:

(1) Carrying out construction for Interstate Highway 69 in a township having a population of more than seventy-five thousand (75,000) and less than ninety-three thousand five hundred (93,500).

(2) Imposing tolls on motor vehicles for use of the part of an interstate highway that connects a consolidated city and a city having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740). **Interstate Highway 64.**

SECTION 13. IC 8-15.7-1-5, AS AMENDED BY P.L.203-2007, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) This article contains full and complete authority for agreements and leases with private entities to carry out the activities described in this article. Except as provided in this article, no procedure, proceeding, publication, notice, consent, approval, order, or act by the authority, the department, or any other state or local agency or official is required to enter into an agreement or lease, and no law to the contrary affects, limits, or diminishes the authority for agreements and leases with private entities, except as provided by this article.

(b) Notwithstanding any other law, the department, the authority, or an operator may not carry out any of the following activities under this article unless the general assembly enacts a statute authorizing that activity:

(1) Issuing a request for proposals for, or entering into, a public-private agreement concerning a project other than Interstate Highway 69 between Interstate Highway 465 and Interstate Highway 64.

(2) Carrying out construction for Interstate Highway 69 in a township having a population of more than seventy-five thousand (75,000) and less than ninety-three thousand five hundred (93,500).

(3) Imposing user fees on motor vehicles for use of the part of an interstate highway that connects a consolidated city and a city having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740). **Interstate Highway 64.**

(c) Notwithstanding subsection (b) or any other law, the department or the authority may enter into a public-private agreement concerning a project consisting of a passenger or freight railroad system described in IC 8-15.7-2-14(a)(4). Such an agreement is subject to review and appropriation by the general assembly. However, this subsection does

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not prohibit the department from:

- (1) conducting preliminary studies that the department considers necessary to determine the feasibility of such a project; or
- (2) issuing a request for qualifications or a request for proposals, or both, under IC 8-15.7-4 for such a project.

SECTION 14. IC 8-23-7-22, AS AMENDED BY P.L.47-2006, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22. (a) Subject to subsection (b), the department may, after issuing an order and receiving the governor's approval, determine that a state highway should become a tollway. After the order becomes effective, the department shall maintain and operate the tollway and levy and collect tolls as provided in IC 8-15-3 or enter into a public-private agreement with an operator with respect to the tollway under IC 8-15.7. Before issuing an order under this section, the department shall submit to the governor a plan to bring the tollway to the current design standards of the department for new state highways within a specified period. The specified period may not exceed five (5) years.

(b) Notwithstanding any other law, the governor, the department, or an operator may not carry out any of the following activities under this section unless the general assembly enacts a statute authorizing that activity:

- (1) Determine that a highway ~~other than Interstate Highway 69~~ between Interstate Highway 64 and a **consolidated** city ~~having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740);~~ should become a tollway.
- (2) Carry out construction for Interstate Highway 69 in a township having a population of more than seventy-five thousand (75,000) and less than ninety-three thousand five hundred (93,500).
- (3) Impose tolls on motor vehicles for use of the part of an interstate highway that connects a consolidated city and ~~a city having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740);~~ **Interstate Highway 64.**

SECTION 15. IC 8-23-7-23, AS AMENDED BY P.L.47-2006, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 23. (a) Subject to subsection (c), the department may, after issuing an order and receiving the governor's approval, determine that a state highway should become a toll road. An order under this section does not become effective unless the authority adopts a resolution to accept the designated state highway, or part of

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the highway, as a toll road project under the conditions contained in the order. An order issued by the department under this section must set forth the conditions upon which the transfer of the state highway, or part of the highway, to the authority must occur, including the following:

- (1) The consideration, if any, to be paid by the authority to the department.
- (2) A requirement that the authority:
  - (A) enter into a contract or lease with the department with respect to the toll road project under IC 8-9.5-8-7 or IC 8-9.5-8-8; or
  - (B) enter into a public-private agreement with an operator with respect to the toll road under IC 8-15.5.

(b) To complete a transfer under this section, the department must, with the governor's approval, execute a certificate describing the real and personal property constituting or to be transferred with the state highway that is to become a toll road project. Upon delivery of the certificate to the authority, the real and personal property described in the certificate is under the jurisdiction and control of the authority.

(c) Notwithstanding any other law, neither the authority nor an operator may carry out any of the following activities under this section unless the general assembly enacts a statute authorizing that activity:

- (1) Carrying out construction for Interstate Highway 69 in a township having a population of more than seventy-five thousand (75,000) and less than ninety-three thousand five hundred (93,500).
- (2) Imposing tolls on motor vehicles for use of the part of an interstate highway that connects a consolidated city and a city having a population of more than eleven thousand five hundred (11,500) but less than eleven thousand seven hundred forty (11,740): **Interstate Highway 64.**

SECTION 16. IC 8-23-9-4.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 4.6. (a) As used in this section, "resident of Indiana" means a person who is at least eighteen (18) years of age and is one (1) of the following:**

- (1) A person who has registered a motor vehicle in Indiana.**
- (2) A person who is registered to vote in Indiana.**
- (3) A person who has a child enrolled in an elementary or a secondary school located in Indiana.**
- (4) A person who derives more than one-half (1/2) of the person's gross income (as defined in Section 61 of the Internal**

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Revenue Code) from sources in Indiana, according to the provisions applicable to determining the source of adjusted gross income that are set forth in IC 6-3-2-2. However, a person who would otherwise be considered a resident of Indiana under this subdivision is not a resident of Indiana if a preponderance of the evidence concerning the factors set forth in subdivisions (1) through (3) proves that the person is not a resident of Indiana.

(b) When entering into a contract under this chapter, each contractor shall provide the department with information on the number of residents of Indiana who will be employed by the contractor and the number of residents of Indiana who will be employed by any subcontractor of the contractor.

(c) A contract for a public works project under this chapter may not be awarded to a contractor who does not:

- (1) employ residents of Indiana as at least eighty percent (80%) of the employees of the contractor who work on the contract; and
- (2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees working on the subcontract.

(d) Before August 15 of 2010 and each year thereafter, the department shall file with the commissioner of the Indiana department of administration a report stating:

- (1) for each contractor awarded a contract under this chapter; and
- (2) for each subcontractor with which a contractor referred to in subdivision (1) enters into a contract in connection with a contract awarded under this chapter;

the percentage of the employees of the contractor or subcontractor who work on the contract and are residents of Indiana.

(e) A contract awarded under this chapter for a public works project is terminated if the department determines that the contractor has failed to:

- (1) employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract; and
- (2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees who work on the subcontract.

(f) A contractor or subcontractor who fails to employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract or subcontract commits a Class B infraction

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for each nonresident of Indiana employed in excess of the number of nonresident employees permitted by this section.

SECTION 17. IC 36-1-12-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.5. (a) As used in this section, "resident of Indiana" means a person who is at least eighteen (18) years of age and is one (1) of the following:

- (1) A person who has registered a motor vehicle in Indiana.
- (2) A person who is registered to vote in Indiana.
- (3) A person who has a child enrolled in an elementary or a secondary school located in Indiana.
- (4) A person who derives more than one-half (1/2) of the person's gross income (as defined in Section 61 of the Internal Revenue Code) from sources in Indiana, according to the provisions applicable to determining the source of adjusted gross income that are set forth in IC 6-3-2-2. However, a person who would otherwise be considered a resident of Indiana under this subdivision is not a resident of Indiana if a preponderance of the evidence concerning the factors set forth in subdivisions (1) through (3) proves that the person is not a resident of Indiana.

(b) When entering a bid under this chapter, each contractor shall provide the unit of local government with information on the number of residents of Indiana who will be employed by the contractor and the number of residents of Indiana who will be employed by any subcontractor of the contractor.

(c) A contract for a public works project under this chapter may not be awarded to a contractor who does not:

- (1) employ residents of Indiana as at least eighty percent (80%) of the employees of the contractor who work on the contract; and
- (2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees working on the subcontract.

(d) A contract awarded under this chapter for a public works project is terminated if the unit determines that the contractor has failed to:

- (1) employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract; and
- (2) enter into subcontracts only with subcontractors who employ residents of Indiana as at least eighty percent (80%) of the employees who work on the subcontract.

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**(e) A contractor or subcontractor who fails to employ residents of Indiana as at least eighty percent (80%) of the employees who work on the contract or subcontract commits a Class B infraction for each nonresident of Indiana employed in excess of the number of nonresident employees permitted by this section."**

Delete pages 2 through 5.

Page 6, delete lines 1 through 4.

Page 6, between lines 30 and 31, begin a new paragraph and insert:

**"(c) Not more than thirty (30) days after accepting economic stimulus funds, the governor shall submit a report to the general assembly containing the governor's recommendations for the expenditure of the economic stimulus funds. The report required by this subsection must be submitted in an electronic format under IC 5-14-6."**

Page 6, line 31, delete "(c)" and insert "(d)".

Page 6, delete lines 32 through 42, begin a new paragraph and insert:

**"SECTION 13. [EFFECTIVE JULY 1, 2009] (a) For the period beginning July 1, 2009, and ending June 30, 2011, there is appropriated from the major moves construction fund the following amounts:**

- (1) Four hundred million dollars (\$400,000,000) for the counties of Indiana.**
- (2) Four hundred million dollars (\$400,000,000) for the cities and towns of Indiana.**
- (3) Two hundred million dollars (\$200,000,000) to the Indiana department of transportation.**

**(b) The amounts appropriated under subsection (a) are subject to the limitations set forth in this subsection. Money appropriated under subsection (a) may not include any money that as of January 1, 2009 has been:**

- (1) appropriated and allotted to;**
- (2) appropriated to; or**
- (3) planned by;**

**the Indiana department of transportation for expenditure on the extension of Interstate Highway 69 from Indianapolis to Evansville.**

**(c) The amounts appropriated under subsection (a) must be reduced proportionally if the result of subtracting the money described in subsection (b) from the balance of the major moves construction fund is insufficient to fully fund the appropriations set forth in subsection (a).**

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(d) Money appropriated under subsection (a)(1) must be distributed to the counties according to the ratio that the population of each county bears to the total population of all counties. The population totals used for purposes of the local road and street account under IC 8-14-2 must be used for the purposes of this subsection.

(e) Money appropriated under subsection (a)(2) must be distributed to the cities and towns according to the ratio that the population of each city and town bears to the total population of all cities and towns. The population totals used for distributions from the motor vehicle highway account under IC 8-14-1-3 must be used for the purposes of this subsection.

(f) Each county, city, or town receiving money under this SECTION shall keep the money in a separate account. Money received under this SECTION may be used only for the construction or reconstruction and maintenance of streets and alleys. The fiscal body of a county, city, or town shall appropriate the money received under this SECTION for a shovel ready project before January 1, 2011. Any money that is not appropriated in compliance with this subsection is forfeited to the state. The fiscal officer of a county, city, or town that holds forfeited money in the separate account required by this subsection shall transfer the forfeited amount to the treasurer of state before February 1, 2011. The treasurer of state shall deposit any money received under this subsection in the major moves construction fund.

(g) Money appropriated under subsection (a)(3) shall be used by the Indiana department of transportation to obtain federal highway matching funds. The purpose of the appropriation is to supplement the federal highway matching funds obtained with money appropriated to the department under all other laws. The department may not divert money received from an appropriation for formal contract expenses to any purpose that does not qualify for federal highway matching funds.

(h) This SECTION expires July 1, 2011."

Delete page 7.

Page 8, delete lines 1 through 3.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1656 as printed January 16, 2009.)

CRAWFORD, Chair

Committee Vote: yeas 15, nays 8.

HB 1656—LS 7476/DI 92+



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